

POTPOURRI

Department of Revenue and Taxation Severance Tax Division

Severance Tax Rate on Natural Gas

Pursuant to the authority granted by R.S. 47:633(9)(d)(ii), the Department of Natural Resources has determined the "gas base rate adjustment" for the 12-month period ending March 31, 1996, to be 1.0938. Accordingly, the Department of Revenue and Taxation has determined the severance tax rate on natural gas and related products described in R.S. 47:633(9)(a) to be 7.7 cents per thousand cubic feet measured at a base pressure of 15.025 pounds per square inch absolute and at the temperature base of 60 degrees Fahrenheit, effective July 1, 1996. This rate was derived by multiplying the "gas base rate adjustment" by seven cents.

The reduced rates provided for in R.S. 47:633(9)(b) and (c) remain the same.

The determination of this "gas base rate adjustment" and corresponding tax rate and their "publication in the *Louisiana Register* shall not be considered rulemaking within the intendment of the Administrative Procedure Act, R.S. 49:950 et seq., and particularly R.S. 49:953." Thus, neither a fiscal impact statement nor a notice of intent is required.

Questions should be directed to Linda Denney, Director of the Severance Tax Division by telephone at (504) 925-7497.

John Neely Kennedy
Secretary

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